



The Oral Health Company

**BUSINESS PLAN**

June 2006



**DOMINICK & DOMINICK LLC**

**GRINrx CORPORATION**  
**SEATTLE, WASHINGTON**

**RECIPROCAL NONDISCLOSURE AGREEMENT**

The undersigned ("Recipient") and GRINrx Corporation ("GRINrx") acknowledge that during or in connection with written or oral communications between Recipient and GRINrx, proprietary confidential information concerning technical and/or business subjects may be disclosed.

As a condition of receiving such information, Recipient and GRINrx agree that for a period of five (5) years from the date of this Agreement, any and all information designated orally or in writing as confidential shall be used exclusively for the purpose of establishing a mutually beneficial business relationship between Recipient and GRINrx, unless the owner of such information authorizes other use of such information in writing. Without limitation, Recipient and GRINrx agree that information designated as confidential shall not be used for circumvention, competition purposes or any other purpose other than as specifically authorized in this Agreement, and shall not be disclosed to third parties. This information may be disclosed only to employees, accountants, and attorneys of Recipient and GRINrx who need access to such information in order to assist in the discussions between Recipient and GRINrx. These restrictions shall not apply to information which was previously known to Recipient or GRINrx about the other, that becomes publicly available other than as a result of unauthorized disclosure, or is independently developed or received by Recipient or GRINrx by lawful means.

Recipient and GRINrx shall use the same degree of care to avoid disclosure, publication or dissemination of the other's confidential information as Recipient and GRINrx employ with respect to similar confidential information of their own which they do not desire to disclose, publish, or disseminate. Recipient and GRINrx shall at all times use at least reasonable care to prevent the disclosure, publication, or dissemination of the confidential information provided by the other.

This Reciprocal Nondisclosure Agreement shall be construed and enforced in accordance with the laws of the State of Washington, without regard to conflict of laws. Any action based upon or arising out of this Reciprocal Nondisclosure Agreement or any transaction related hereto shall be commenced and tried in the courts of the State of Washington and in the courts of the United States, located in Seattle, Washington. Recipient and GRINrx waive all objections and agree to submit to the personal jurisdiction of any of these courts. In any dispute concerning or arising from this Reciprocal Nondisclosure Agreement, the prevailing party shall be entitled to reasonable attorneys' fees, whether or not the dispute becomes the subject of litigation, and



Recipient and GRINrx agree that if such dispute concerns the disclosure of information by the other, the defendant shall have the burden of proving that it was entitled to disclose such information.

\_\_\_\_\_  
COMPANY (if applicable)

GRINrx Corporation

By \_\_\_\_\_

By \_\_\_\_\_

Its \_\_\_\_\_

Its \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_



## CONFIDENTIALITY STATEMENT, PROCEDURES AND CONTACT INFORMATION

The Board of Directors and management of GRINrx Corporation, ("GRINrx" or the "Company"), is considering investment proposals for an equity investment in GRINrx. This Confidential Memorandum (the "Memorandum") is being furnished, on a confidential basis, to a limited number of parties who may have an interest in submitting proposals to purchase equity in the Company (the "Proposed Transaction"). This Memorandum is based on information supplied by the Company and is being furnished through Dominick & Dominick LLC ("Dominick & Dominick"), as the Company's financial advisor in connection with the Proposed Transaction, solely for use by prospective purchasers in connection with their consideration of the Proposed Transaction.

This Memorandum constitutes "Confidential Information" and may not be distributed, reproduced or used without the prior written consent of the Company or for any purpose other than the evaluation of the Business and the Proposed Transaction by the person to whom this Memorandum has been delivered.

This Memorandum has been prepared to assist interested parties in making their own evaluations of the Company and does not, and if hereafter supplemented will not, purport to be all-inclusive or to contain all of the information that a prospective investor may desire. Prospective investors are urged to conduct their own independent investigation and evaluation of the Company, the information contained herein and the Proposed Transaction.

All information presented in this Memorandum with respect to the existing business and limited operating results of the Company and estimates and projections as to future operations are based on material prepared by the management of the Company and involve significant elements of subjective judgment and analysis that may or may not be correct. There can be no assurance that management's estimates or projections will be realized.

Dominick & Dominick has not independently verified any of the information, including the projections, contained herein. None of Dominick & Dominick or the Company or any of their respective affiliates, employees or representatives makes any representation or warranty, express or implied, as to the accuracy or completeness of any of the information contained herein or any other written or oral communications transmitted or made available to a prospective purchaser or its advisors or for any omissions from this Memorandum or any other supplemental information, and Dominick & Dominick, the Company and their respective affiliates, employees and representatives expressly disclaim any and all liability based on or in relation to such information and communications. Only those particular representations and warranties, if any, that may be made to an investor in one or more definitive written agreements when, as and if executed, and subject to such limitations and restrictions as may be specified in such definitive written agreements, shall have any legal effect.

Delivery of this Memorandum at any time after the date hereof shall not, under any circumstances, create any implication that there has been no change in the information set forth herein or in the affairs of the Company since the date hereof. The information set forth herein is subject to change, completion or amendment without notice. Neither Dominick & Dominick nor the Company presently intends to update or otherwise revise this Memorandum following its initial distribution.



Neither this Memorandum nor its delivery to any prospective investor shall constitute an offer to sell any asset or security or to enter into any other transaction or commercial agreement.

The Company reserves the right to (i) negotiate with one or more prospective investors at any time and to enter into a definitive agreement regarding the Proposed Transaction without prior notice to any recipient or to any other prospective purchaser; (ii) terminate, at any time, the selling process or further participation in such process by any party; (iii) modify, at any time, and for any reason, any procedure relating to such process; (iv) amend or replace this Memorandum at any time; and (v) require the return of this Memorandum at any time. It is understood and agreed that any proposal may be subject to disclosure requirements of both the U.S. Securities and Exchange Commission and Blue Sky State regulations, as made and provided, as well as shareholder approval. The Company reserves the right to take any action, whether or not in the ordinary course of business, which it deems necessary or prudent in the conduct of its business.

Under no circumstances should the management or employees of the Company be contacted directly without first contacting Dominick & Dominick. All communications, inquiries and requests for information should first be directed to one of the Dominick & Dominick representatives listed below.

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## EXECUTIVE SUMMARY

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GRINrx is a global, Oral Health Care products company. Dr. Martin Giniger, the Company's founder, has developed several state of the art products. GRINrx's first product, Pre-White, features a proprietary whitening technology that is currently being distributed to dentistry professionals. Other patent pending products are expected to be launched over time that will complement GRINrx's branded product line and Oral Health Care focus. U.S. consumers spent over \$11 billion on Oral Health Care products in 2005; the overwhelming majority of this sum is attributed to teeth whitening products and procedures.

GRINrx has assembled a highly successful management team which includes personal care and business professionals. Members of the GRINrx team have the proven ability to develop revolutionary technologies into worldwide businesses and brands, and have been directly responsible for the creation and expansion of the Microsoft Windows, Neutrogena and Starbucks businesses. As a group, GRINrx management has submitted applications for over 40 patents relating to personal care products.

Although GRINrx has developed numerous Oral Health Care products and technologies, the Company's initial focus will be on teeth whitening. Current teeth whitening procedures, both professional and consumer segments, rely upon highly concentrated peroxide formulations to whiten teeth. Highly concentrated peroxide formulations are inefficient, ineffective and potentially harmful. These whitening products may require many hours and numerous applications to achieve results. High concentrations of peroxide often cause teeth dehydration that produces only a short term "white effect". Results are temporary, with 50% of all users experiencing sensitivity caused by dehydration. GRINrx's products, on the other hand, rely upon hydrating solvents and surfactants to not only whiten teeth, but remove surface and subsurface stains. With GRINrx whiteners, users experience faster, longer lasting results without sensitivity. Additionally, and very important, GRINrx's initial product PreWhite, can be used in conjunction with and complement all other existing whiteners on the market. In fact, this product can be used as a "pre whitener" like "Shout" is used as a "pre cleaner" in the consumer laundry market. To date, no other company has utilized this unique approach to teeth whitening. GRINrx is aggressively filing a comprehensive patent around the use of all solvents and all surfactants in conjunction with oral care products. The successful launch of GRINrx's professional whitening product line will pave the way for the commercialization of GRINrx's entire Oral Health Care product line.

The center for Medicare and Medicaid Services (CMS) has estimated that the U.S. dental expenditures should grow 6% annually and reach \$116 billion by 2010. A fast growing segment is the teeth whitening area. To introduce its products to the growing Oral Health Care market, GRINrx has adopted a proven "opinion leader" marketing strategy that has been successfully utilized by companies such as Microsoft and Neutrogena. Through professional distribution agreements, GRINrx has already introduced a professional tooth whitening product to US and Western European dentistry practices. Dentists have perhaps the strongest influence over consumer Oral Health Care purchase decisions. The use or recommendation of the company's products by Oral Health Care professionals will be extremely valuable in developing the GRINrx brand. With professional Oral Health Care opinion leader support, GRINrx will use Direct Response Television to introduce its consumer whitening product line. DRTV will





## Risk Factors

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AN INVESTMENT IN THE SECURITIES OFFERED HEREBY IS SPECULATIVE IN NATURE, INVOLVES A HIGH DEGREE OF RISK AND SIGNIFICANT RESTRICTIONS ON TRANSFER. SUCH AN INVESTMENT SHOULD BE CONSIDERED ONLY BY ACCREDITED INVESTORS WHO ARE ABLE TO BEAR THE ECONOMIC RISKS OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME AND SHOULD NOT BE MADE BY ANY INVESTOR WHO CANNOT AFFORD THE LOSS OF HIS, HER OR ITS ENTIRE INVESTMENT.

### *Risks Related to the Company:*

**Limited Operating History** – GRINrx has a limited operating history. GRINrx was formed in and began selling its brand in 2006. Because of this limited operating history and the relatively recent introduction of its brands, the Company's pro forma historical financial information is of limited value in projecting its future results. The Company's business and future prospects are, therefore, difficult to evaluate and an investor should consider and evaluate the Company's operating prospects in light of the risks and uncertainties frequently encountered by early-stage companies in intensely competitive markets such as the spirits market. The Company expects to continue to incur significant costs relating to product development, sales, marketing and administrative expenses. As a result, the Company will need to generate significant revenues in order to achieve profitability. The Company is in the early stages of product development and even if it does achieve profitability, it may be unable to increase its sales and sustain or increase its profitability in the future.

**Intellectual Property** – GRINrx is relying heavily on the patentability of its intellectual property in order to achieve its projected margins and market penetration and to limit competition. The Company's ability to obtain and defend its patent position and to maintain trade secrets will have a significant affect on the success of the Company. The Company intends to aggressively pursue patent protection and to enforce its patents against infringement by third parties. However, such efforts can and usually are both time consuming and consume significant financial resources. If third parties either challenge the Company's patents, claim ownership of any Company intellectual property (including but not limited to patented intellectual property), proceed to make competitive products using the Company's intellectual property (notwithstanding the Company's patents or patent applications) or in any other way impinge on the Company's intellectual property rights, substantial Company resources, in time and money, are likely to be consumed. The Company is aware at this time of one company in particular that may cause the Company to expend significant resources on intellectual property issues as described in more detail in the next risk factor.

**Intellectual Property Claims/Disputes with Discus Dental** – GRINrx is aware that Discus Dental, Inc. has asserted that the Company's product(s) violate certain of its patents. GRINrx is also aware that Discus Dental has approached members of the Company's Board of Directors and its Advisory Board in an effort to persuade them to disassociate themselves with the Company and/or to affiliate with Discus Dental. None of these individuals have agreed to do so and have rejected Discus Dental's overtures. Discus Dental previously had a relationship with Dr. Martin S. Giniger and it may be that



Discus Dental may cite his relationship with Discus Dental in any disputes over the Company's intellectual property. The Company has reviewed the documents available to it and has requested review of the situation by its intellectual property legal counsel. The Company has been advised by this counsel that he does not believe, based on the information available, that the claims of Discus Dental have merit. In the event Discus Dental should pursue any claims against the Company or if the Company becomes aware that Discus Dental is proceeding to violate the Company's patents or other intellectual property rights or to otherwise interfere with the Company's business, the Company intends to vigorously defend and assert its intellectual property and other rights.

***Fluctuation of Revenues and Operating History*** – The oral care industry is subject to certain factors that may impact quarter-to-quarter comparisons of its revenues and operating results.

Factors that could cause fluctuations include, but are not limited to:

- Further deterioration of the U.S. or international economies;
- A decline in discretionary consumer spending;
- An increase in U.S., or other federal excise taxes, or the aggregate effect of excise tax increases in a number of U.S. states;
- Significant weakening of the U.S. dollar against other foreign currencies, which would affect the cost of product purchases;
- The loss of a brand; and
- The Company's inability to manage costs.

***Broad Discretion Over the Use of Net Proceeds From This Offering*** – The Company has significant flexibility in using the net proceeds it receives from this offering of Series A Preferred and may fail to use the net proceeds effectively to grow and sustain its business.

***History of Losses*** – The pro forma combined company has incurred losses since inception. The Company expects that, for the next year, it will spend funds in greater amounts and at a faster rate than it receives income from sales, and therefore expects to continue to incur losses. There can be no assurance that the Company will achieve profitability, even if it obtains and applies all of the net proceeds of the Offering.

***Need for Additional Funds*** – The Company expects that the net proceeds from the Offering, if fully subscribed, together with the cash available, will provide it with sufficient capital to meet its anticipated needs for the foreseeable future. The Company may at some point in the future require additional working capital to fund the business or the Company's growth strategy. If the Company does not generate enough cash from operations to finance the business in the future, it will need to raise additional funds through the sale of additional equity securities. No assurances can be given that such sales would be possible. If the Company borrows incremental money, it will have to pay interest on those funds and may also have to agree to restrictions on its operating flexibility. Additional financing may dilute ownership and voting rights, and may require subordination from the common or preferred shareholders. To the extent that the





Company chooses to close the Offering at less than the maximum authorized, there is a higher probability that the Company will need to raise additional capital to finance the business.

**International Nature of the Company's Business** – The Company will have a sales and distribution presence in markets around the world. The risks associated with conducting business internationally, and in particular in some countries outside of the U.S. and Western Europe, can include, among other risks: fluctuations in currency exchange rates and currency devaluations; differences and unexpected changes in the regulatory environment; varying tax regimes; exposure to different legal standards and enforcement mechanisms and the associated cost of compliance therewith; tariffs, duties, import/export controls and other trade barriers; longer accounts receivable payment cycles and difficulties in collecting accounts receivable; limited legal protection and enforcement of intellectual property rights; and political instability and the possibility of wars and terrorist acts.

The Company may not be able to insure or hedge against these risks and the Company may not be able to comply with all the applicable regulations, even if it incurs substantial additional costs.

**Uncertain Market Acceptance** – The Company's success is dependent upon acceptance of the Company's products in the U.S. and various international markets. Market acceptance is dependent on many complicated, interrelated factors, many of which are not within the Company's control. These include, without limitation, selling and marketing strategies, public perceptions and personal tastes.

Most of the Company's international markets also require engagement of independent distributors, which involves similar risk factors.

**Competition** – The industry is highly competitive. The Company competes on the basis of quality, price, brand recognition and distribution strength. The Company's products compete with others for consumer purchases, as well as shelf space in retail stores, and professional attention. The Company competes with numerous multinational producers and distributors of products, many of which have far greater resources than the Company. In particular, the Company is aware that one competitor, Discus Dental, Inc. has already initiated efforts to disparage the Company's products and to otherwise thwart the Company's efforts to implement its business plan and penetration of the market.

**Financial Projections** – Because the Company's future operating results are difficult to predict, the financial projections set forth herein are based in large part on assumptions derived from management's experience rather than actual performance data. Potential investors should not rely on the estimates of the Company's future results when making an investment decision. These estimates are included solely as projections of the financial results that might be obtained in the future based on the Company's assumptions and estimates. Such estimates are not included for the purpose of predicting future results or returns to investors in this Offering.



## **Risk Factors (cont.)**

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**Dependence on Key Personnel** – The Company is relying on a small number of key individuals to implement its plans and operations, including Founder & Chief Science Officer, Dr. Martin S. Giniger, Co-Founder & Chairman, C. Rowland Hanson, and President and CEO, Michael Parks. To the extent that the services of any of these individuals become unavailable, the Company will be required to hire other qualified personnel. There is no assurance that adequate replacements will be found.

**Control by Management** – The management team controls the majority of the shares in GRINrx. Therefore, management will, as a practical matter, be able to nominate and cause the election of a majority of the Company's Board of Directors, control the election of its officers and control the day-to-day affairs and management of the Company.

**Potential Liability to Customers and Product Liability** – Although the Company will seek to maintain liability insurance and will attempt to limit contractually its liability for damages arising from its products, there can be no assurance that its attempts to avoid or limit liability will be successful. The Company generally seeks contractual indemnifications and insurance coverage from parties supplying its products, but this indemnification or insurance coverage is limited, as a practical matter, to the creditworthiness of the indemnifying party and the insured limits of any insurance provided by suppliers.

**Government Regulation Could Negatively Impact the Industry** – Federal and State regulatory authorities could limit the Company's operating ability if the Company fails to comply with government regulations, including any applicable FDA regulations. The distribution and marketing of the Company's products are subject to regulation. The Company is required to comply with various laws and regulations in marketing its products and to maintain its records. The Company believes that it is operating in compliance with all federal and state laws, regulations and policy in all material respects. However, no assurance can be given that the various governmental regulations applicable to the oral care industry will not change and become more stringent. If the Company fails to comply with applicable governmental regulations of the conditions of its license or permits, its licenses and permits could be revoked or suspended.

### **Risks Related to the Offering:**

**Marketability of the Stock** – Because the Company is not a public corporation, there is no market for the Series A Preferred being offered in this private placement and there is no market for the Common Stock into which the Series A Preferred is convertible. The shares have not been and will not be registered under the Securities Act and will be subject to significant restrictions on resale. Such offered shares may only be resold if they are subsequently registered with the SEC or if an investor sells them pursuant to an exemption from registration. Even if the Company does undertake an initial public offering in the future, the underwriters commonly require that the existing shareholders waive any rights they may have to register shares in the offering, and a majority of the preferred stock holders may waive the registration rights on behalf of all the preferred shareholders. It is unlikely that an investor will be able to sell his, her or its shares in any initial public offering that the Company may undertake in the future. An investor may sell shares pursuant to Rule 144 of the Securities Act, which requires either – (i) that such



## Risk Factors (Cont.)

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investor has held the shares for two years and is not an affiliate of the Company, or (ii) that the investor has held the shares for at least one year, in which case such shares can be sold only if the Company is a public reporting corporation that meets the adequate current public information requirement of Rule 144(c) of the Securities Act and if the investor complies with volume, manner of sale and notice restrictions. In addition, if the Company pursues an initial public offering, each investor would be subject to a lock-up provision, which contractually obligates such investor not to sell any of their shares during the 180-day period after the closing of any initial public offering. As a result, each investor should consider the purchase of the Series A Preferred as a long-term investment and should expect to bear the economic risk of this investment for an indefinite period.

**State and Federal Qualifications of Securities Being Offered** – The offering has not been registered under the Securities Act. Instead it is being offered under certain exemption provisions under the Securities Act and certain rules and regulations promulgated thereunder. Except for certain conditions relating to the issuance of the Series A Preferred purchased hereunder, subscribers will have no right to demand the Company register the Series A Preferred in any jurisdiction. Accordingly, without an effective registration, the Series A Preferred may not be sold or otherwise transferred in such jurisdiction unless an exemption is available for sale or transfer.

**Arbitrary Offering Price** – The offering price of the Series A Preferred has been arbitrarily determined by the Company and such price is not necessarily related to the Company's net worth or other established criteria of value.

**No Evaluation of Securities** – No federal, state or non-U.S. commission, department or agency has made any evaluation, finding, recommendation or endorsement with respect to the securities offered hereby.

**Suitability** – Because of the speculative nature of this offering, these securities are offered only to persons who are accredited investors or non-U.S. persons and who are in a position to accept the risks and to withstand the loss of their entire investment.

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## **Business Introduction**

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### **Business Background**

GRINrx, Inc. is a privately held Delaware corporation organized in February, 2006 by Rowland Hanson, Bruce Silverstein, M.D., Dr. Martin S. Giniger, Matthew Spaid and Smile Paradigm Inc., for the purpose of commercializing the oral care product line developed by New York based Smile Paradigm, Inc. Smile Paradigm, primarily a research and development company, has developed a diverse portfolio of proprietary personal care products under the creative direction of Dr. Giniger. The oral care product line, emphasizing cleaning and whitening technology, has gained strong support and initial traction within the professional oral care industry. The extremely favorable response to Smile Paradigm's products among oral care professionals prompted Smile Paradigm to establish GRINrx as a new business entity that will focus entirely upon professional oral care product distribution and consumer applications of the cleaning and whitening technology. The new corporate structure will enable Smile Paradigm to devote its efforts and resources to researching and developing new technologies, which is its core competency.

GRINrx will commence business owning a complete line of fully developed, tested, and market-ready oral care products, together with corresponding formulations and patents. GRINrx will assume existing professional distribution agreements for the United States and Western Europe, which are expected to generate significant early revenue for the new company. To implement the strategy for both professional and consumer markets, GRINrx has assembled a team of highly qualified oral care and business professionals capable of developing the company's revolutionary technology into a highly successful business and world wide brand. GRINrx will headquarter its operations in Seattle, Washington.

The Company has already secured important supporters and distributors, which for most companies would take years to accomplish. Early "opinion leader support" includes Dr. Ross Nash of the Nash Institute, a leading cosmetic dentistry lecturer and Dr. Martin Zase, President of the American Academy of Cosmetic Dentistry. Another early supporter is Mr. Barry Salzman, owner of Becker-Parkin, the third largest private dentistry supply distributor in the United States. Numerous others are in active discussion with GRINrx.

### **Business Mission and Objectives**

GRINrx's initial business objective is to continue to expand distribution of its professional oral care products established by Smile Paradigm, while simultaneously branding and launching a new Oral Health Care product line led by advanced cleaning and whitening technologies. It is anticipated that GRINrx's products will displace many of the inefficient and potentially harmful Oral Care products



### **Business Introduction (cont.)**

currently on the market. With an effective marketing campaign, the introduction of GRINrx's product line is intended to shift significant market share away from consumer product giants Proctor & Gamble, Colgate, and Johnson & Johnson. If this strategy is successful, the large consumer product companies may be highly motivated to acquire the GRINrx brand and business in order to preserve and protect their own market share. (See "Exit Scenarios")

### **Product Opportunity/Need**

GRINrx will first enter the Oral Health Care industry with its revolutionary whitening technology. By first establishing GRINrx as a leader in teeth cleaning and whitening technologies, GRINrx will be positioned to introduce its entire product line.

Professional and consumer oral care market segments are replete with highly concentrated peroxide whitening products that are ineffective, misrepresented, and potentially harmful to users. Many inferior whitening agents do not achieve the results they claim, and may leave the unsuspecting user with unsightly, unevenly shaded teeth. Some dentistry professionals will not perform or are reluctant to recommend tooth whitening procedures because of the tendency of highly concentrated peroxide whitening products to remove tooth enamel. Significant enamel loss may cause tooth sensitivity, and weaken the patients' teeth.

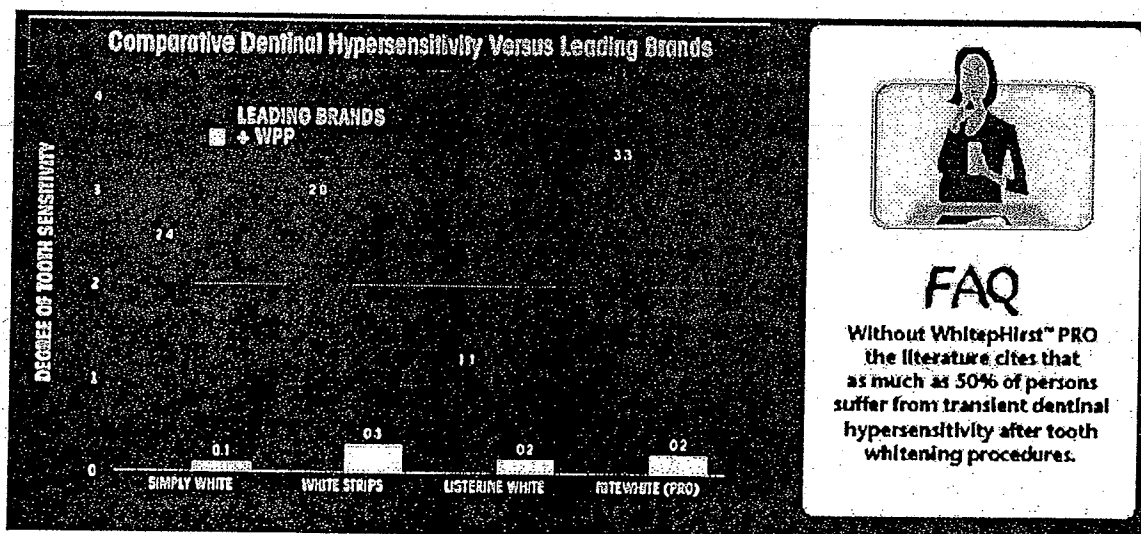
GRINrx's "Pre White" product has three extremely desirable attributes:

- 1) Works in conjunction with and enhances existing whitening products.
- 2) Significantly increases the effectiveness of these existing products, thereby reducing the time it takes to achieve desired results.
- 3) Dramatically reduces if not eliminates teeth sensitivity to existing whitening products.

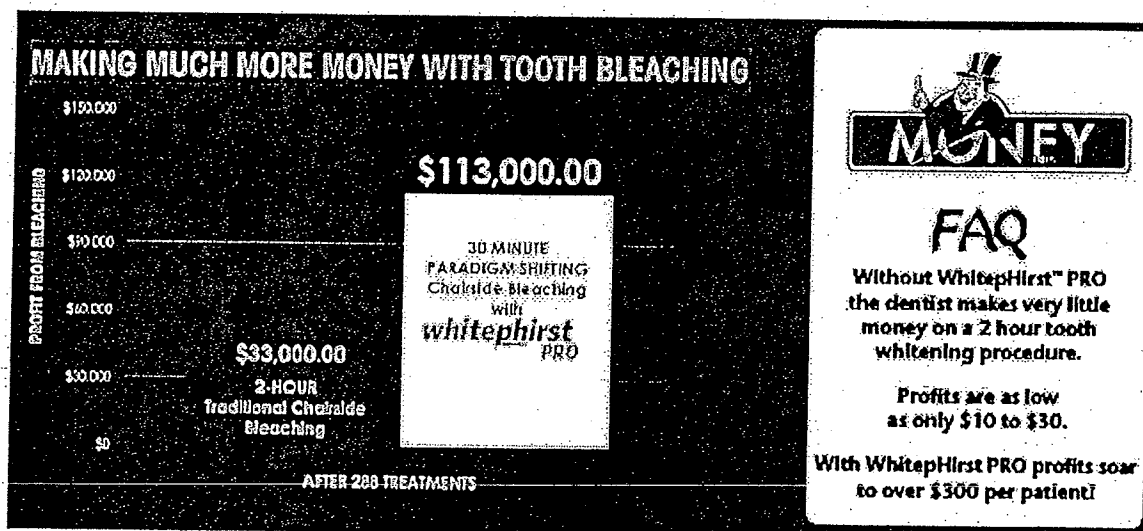




## Business Introduction (cont.)



Due to these attributes and because no other existing product is in the market, GRINrx expects to gain wide market acceptance while developing a strong brand image. The relatively few consumer friendly products on the market today typically require a time consuming application process. This is true for both professional and consumer products. Professional whitening procedures can tie up a dentist's chair for several hours, thus limiting the ability of a dentist to serve other patients, and reducing profitability.



Consumer whitening products typically require daily use over an extended period of time. A lengthy consumer application process increases the potential for user error and undesirable results attributable to inconsistent and inaccurate applications. In contrast, GRINrx has developed a proprietary solvent and





## **Business Introduction (cont.)**

surfactant based cleaning and whitening product for both professional and consumer use that is effective, fast, and safe for all users.

## **Products**

### **Proprietary Technology**

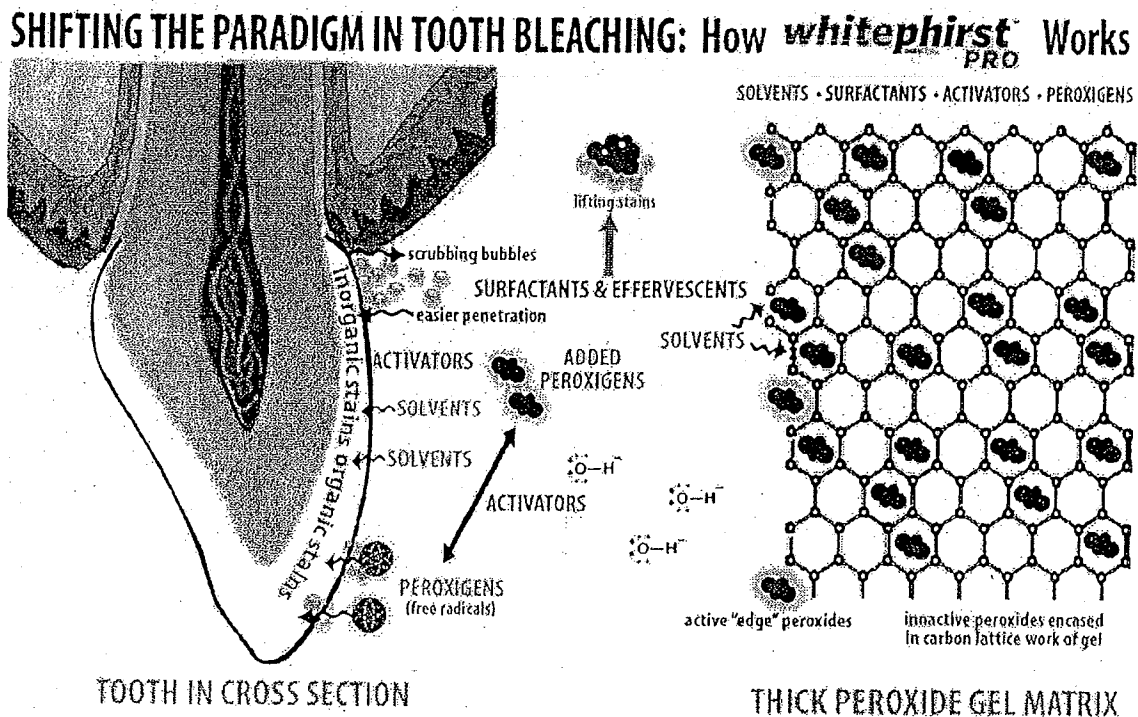
Through the use of solvents and surfactants, GRINrx has taken an entirely new approach to teeth cleaning and whitening. Unlike highly concentrated peroxide based whiteners that only lighten surface stains, solvents and surfactants penetrate beyond teeth surfaces to completely remove stains. Not only is this approach to whitening more effective, it is more consumer friendly and less painful. Solvents and surfactants will not cause teeth to dehydrate. As a result, user sensitivity is dramatically reduced. To date, no oral care company has ever taken this approach and GRINrx is aggressively filing a comprehensive patent around the use of all solvents and all surfactants in conjunction with oral care products. Patent pending products include but are not limited to whiteners, toothpaste and mouth wash.

The chart below describes some of the chemistry involved. This paradigm shifting approach which actually cleans rather than bleaches or lightens teeth stains is very innovative for the dentistry industry. This approach can be correlated to using "Shout" in the consumer laundry market.

Chart on Next Page



## Products (cont.)



### Patent Protection: Kenyon & Kenyon

With the use of some of the proceeds from this offering, GRINrx is expecting to retain Kenyon & Kenyon to protect GRINrx's technology. Kenyon & Kenyon is one of the largest and most diversified law firms in the country concentrating on the practice of intellectual property. Founded over 125 years ago and with offices in New York, Washington, D.C., and Silicon Valley, the firm provides litigation, prosecution, licensing and counseling services relating to patents, trademarks, copyrights, trade secrets and related matters, such as unfair business and unfair trade practices. The firm is equipped with the most preeminent intellectual property litigation group in the country. Kenyon & Kenyon is consistently ranked as one of the nation's top IP law firms and will play an intricate part in the development and protection of GRINrx's technology.

As discussed under "Risk Factors", it is possible that substantial resources, both in time and money, will be needed to achieve and assert the Company's patent rights.

## Products (cont.)

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### Initial Product Line

The initial product line of GRINrx will prominently feature its revolutionary cleaning and whitening technology. In addition to being a superior technology, leading with cleaning and whitening products also fulfills a strategic marketing role for GRINrx. The oral care market segment, particularly the consumer sub-segment, is dominated by whitening products and communication strategies. In other words, marketers have identified whitening as the key attribute consumers base oral care purchase decisions upon. GRINrx will continue to expand distribution of its professional whitening products to build credibility for its whitening technology. Once credibility has been established, GRINrx will then launch a consumer product line emphasizing teeth whitening products.

### Professional Products: Launch Date:

January 2006

#### **1. PreWhite: Professional Chair-Side Tooth Whitening Enhancer**

Already being distributed to US and Western European oral care professionals, PreWhite professional whitening enhancer is a complementary product that can be used with any whitening system to not only whiten teeth more rapidly but protect teeth from dehydration damage. PreWhite is a solvent and surfactant based product that allows whitening treatments to penetrate teeth surfaces more rapidly while maintaining hydration. This product will enhance most whitening treatments to be completed in 15 minutes and dramatically reduce user sensitivity.

July 2006

#### **2. Final Finish: Professional Post Whitening Tooth Gloss**

After receiving PreWhite as well as a whitening treatment, GRINrx offers a tooth sealant to be applied as an enhancer of whitening treatments and to prevent the future formation of stains. For patients, this product gives additional protection for the first 24-48 hours after whitening when teeth are most susceptible to new staining.

#### **3. Effervescence: Professional Foaming Chair-Side Whitener**

GRINrx will offer oral care professionals a foaming whitener to be used in conjunction with PreWhite. Although all whitening products are more effective with the PreWhite treatment, the combination of the two products offers the most effective, efficient, and safe whitening treatment available. Effervescence provides a foaming action to lift deeply



## Products (cont.)

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seeded stains to the surface so they can be permanently removed from teeth.

### **4. Effervescence: Professional Take Home Whitener**

Dentists will have the opportunity to sell GRINrx professional whitening products directly to their patients to complement chair side procedures.

### **Consumer Products: Launch Date: September 2006**

GRINrx offers consumers the same safe and efficient whitening procedure found in their dentists office but at concentrations that can be administered in the convenience of the home.

**1. PreWhite Consumer Whitening System-** GRINrx will offer the consumer market a complete whitening system composed of Prewhite, Effervescence Foaming Whitener and Final Finish. These products will be packaged together to offer the consumer the most effective and safe Over-The-Counter (OTC) teeth whitening system available. The consumer whitening system will be the feature product of a national Direct Response TV campaign.

**2. Final Finish Consumer Post Whitening Tooth Gloss-** Similar to the professional version, Final Finish enhances the appearance of whitening treatments while protecting users from future stains. Final Finish will be sold to consumers as a complimentary product during the national DRTV campaign.

**3. Aquabond Denture Adhesive-** GRINrx has created a proprietary water based denture adhesive that is strong and easily cleaned. Leading denture adhesives use gum and toothpaste formulations to provide adhesion. Although these products offer an adequate hold, the remnants may also be extremely difficult to clean. GRINrx's Aquabond provides dentures wearers a stronger hold with a product that is easily rinsed or wiped away. Aquabond will be first introduced to consumers through QVC followed by distribution by AARP.

**4. Luxury Clear Tooth Paste-** In the words of GRINrx founder Dr. Martin S. Giniger, the luxury clear tooth paste is, "The most beautiful tooth paste in the world". The luxury clear tooth paste is a visually appealing product that offers users a refreshing flavor and teeth whitening benefits.

**5. Enzymatic Liquid Dentifrice Tooth Paste-** The Enzymatic Liquid Tooth Paste is another visually appealing product that also offers superior



## Products (cont.)

cleaning and whitening benefits. Packaged in clear tubing, the Enzymatic Tooth Paste consists of two distinct layers of color composed of oil and enzymes. When shaken the colors mix to form a beautifully unique teeth cleaning gel. After use, the product returns to its layered appearance in only minutes.

### **Future Product Line: 2007**

PreWhite Pro Propy Paste  
Enhance Tooth paste  
Prevent Cavities  
Mouth Wash  
Children's products line  
Eureka / Tru Smile  
Denture Adhesive Sheets  
Luxury LED Toothbrush  
Luxury Tooth Gloss  
LED Bleaching Light

### Investment Opportunity

GRINrx is looking to raise a total of up to \$5.3 million in this Series A offering (plus the conversion of \$1.7 million in convertible debt that will convert into Series A Preferred Stock at 90% of the price to be paid for Series A Stock under this offering. The Company has authorized a maximum raise of \$10 million if the offering is over subscribed). The initial \$1.7 million will be used for start-up expenses and pre product launch costs. The remaining proceeds will be used for working capital, product launch, info commercial expenses and additional product development and marketing.

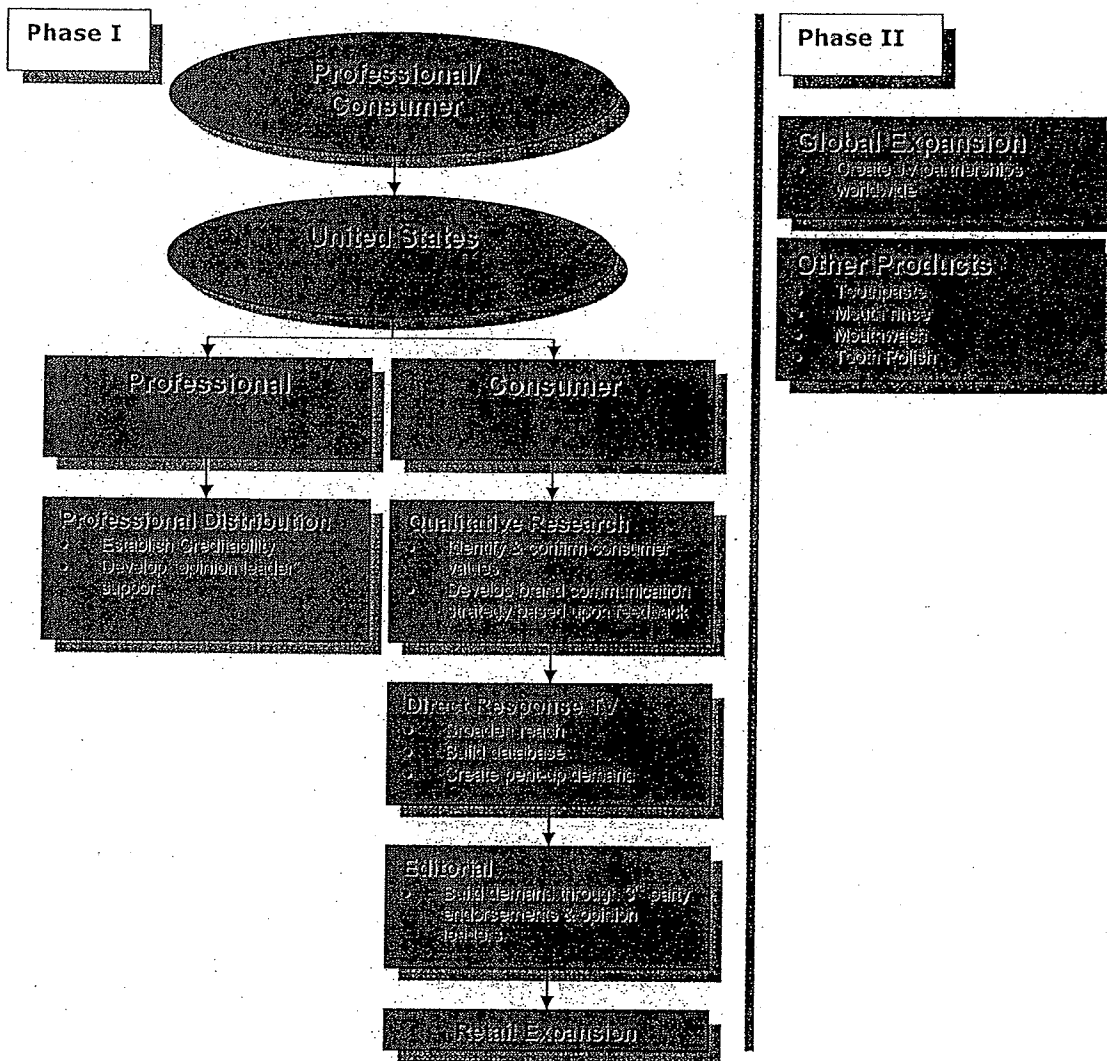
### Financial Forecast - Estimated

(\$ in thousands)	2006	2007	2008	2009
Revenue	\$10,039	\$70,665	\$116,329	\$165,446
Total Cost of Sales	2,807	19,815	31,289	42,023
Gross Margin	\$7,233	\$50,850	\$85,040	\$122,423



## Strategies for Growth

GRINrx will introduce products to market utilizing a phased approach in order to build credibility for its technology and awareness of its brand. The strategies described below are proven and have been utilized by companies such as Neutrogena and Microsoft.

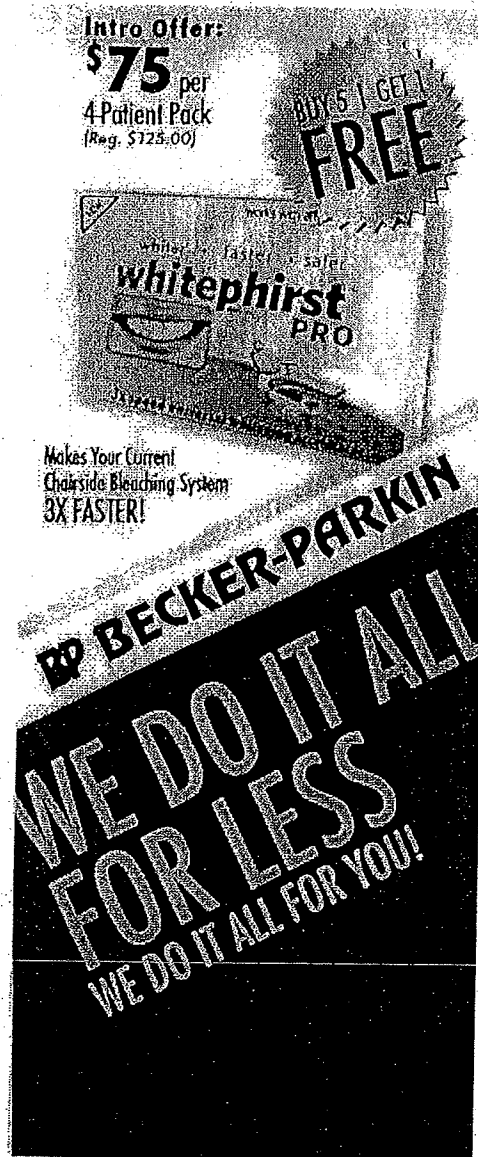




## Strategies for Growth (cont.)

### Professional Strategies for Growth

**1. Professional Distribution:** In late 2005, GRINrx entered into an exclusive US distribution agreement with one of the nation's leading dentistry product distributors, Becker-Parkin. Becker-Parkin has agreed to promote and distribute GRINrx's PreWhite (formerly known as WhitePhirst) professional whitening enhancer to US dentistry professionals. Within months of entering into the agreement, Becker-Parkin has successfully created sales for PreWhite and vigorously promoted it at trade shows. It is possible that within the first year of the agreement GRINrx could receive as much as \$3 Million in revenue.



## Strategies for Growth (cont.)

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In addition to the obvious financial benefits of product distribution through Becker-Parkin, the relationship also helps to establish the credibility of GRINrx and its products. GRINrx will leverage the distribution of its whitening products to dentists to gain credibility within the consumer market. The personal dentist has perhaps the greatest influence over consumer OTC oral care purchase decisions. A dentist's use or recommendation of the company's products will be extremely valuable in developing the GRINrx brand. No other OTC whitener currently on the market has the support of or is widely used by the professional oral care industry. This creates an opportunity for GRINrx to gain a significant strategic advantage as it enters competition with Proctor & Gamble and other established leaders in the OTC market segment.

Utilizing professional opinion leaders is proven a strategy; Neutrogena used it to develop their skin care products into a worldwide brand. The strategy was so successful that even though competitors could replicate Neutrogena's formulations they could not recreate the recognition and acceptance of the brand. The result was a strategic sale of Neutrogena to Johnson & Johnson at a significant premium, in order to maintain market share. A strategic sale similar to the one executed by Neutrogena is a distinct possibility for GRINrx.

### Professional Oral Care Opinion Leaders

While the dentist is extremely effective in influencing the purchase decisions of its cliental, one must also consider who is influencing the purchase and procedural decisions of the dentist. Most dentists are too busy to keep up-to-date with products and procedures through magazines and journals. As a result, dentists attended seminars to stay informed of the latest advances in oral care.

One of the most well known and highly regarded oral care lecturers is Dr. Ross Nash of the Nash Institute. After learning about PreWhite Pro and its ability to whiten teeth quickly without user sensitivity, Dr. Nash agreed to test the product to form his own opinion of its effectiveness. Dr. Nash was so thoroughly impressed; he exclaimed **"it does exactly what you said it would. 15 Minutes to White and absolutely no sensitivity in the 3 patients who tried it."**

Consequently, Dr. Nash is a GRINrx Advisory Board Member and will be discussing the superior whitening capabilities of PreWhite Pro throughout his lectures. The Nash Institute holds approximately 60 seminars a year and has loyal following of about 10,000 dentists.

### About Dr. Nash

Dr. Nash is one the country's top dentists and a top opinion leader who lectures weekly to hundreds of dentists. He is the founder of the Nash Institute located in Charlotte, and maintains a busy aesthetic dentistry practice there as well. Dr.



## **Strategies for Growth (cont.)**

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### **Professional Oral Care Trade Shows**

Professional trade shows provide the opportunity to not only promote products but to also develop relationships within the oral care industry. At any given tradeshow, GRINrx will have multiple representatives of the Company tending a promotional booth that will offer information as well as product samples. GRINrx will also host educational seminars as well as sponsor entire tradeshow.

#### **American Academy of Cosmetic Dentistry, San Diego May 16<sup>th</sup> - 20<sup>th</sup>**

GRINrx unveiled its new corporate identity and introduced its entire product line at the American Academy of Cosmetic Dentistry show in San Diego. Together with the 3M Corporation, GRINrx was a co-sponsor this event. Additionally, GRINrx sponsored the daily event newsletter as well as morning seminars. The introduction of GRINrx and its break through technology is expected to stimulate the interest of major national news mediums, including but not limited to, TV, Newspaper, and Magazine.

## **2. Consumer Strategies for Growth**

### **Qualitative Market Research**

GRINrx will engage Bellevue, Washington based ConsumerView ([www.ConsumerViewResearch.com](http://www.ConsumerViewResearch.com)) to conduct qualitative market research through focus group testing. The research will be used to establish the values held by consumers for oral care products. The established values will then be used to carefully craft communication strategies for packaging, direct marketing, and editorial statements. Utilizing qualitative research is an intricate part of the GRINrx business model, ensuring that all products launched are positioned appropriately to avoid potential miscommunication with consumers. Through a commitment to qualitative research, GRINrx will maintain an up-to-date understanding of their customers' oral care needs and how best to fulfill those needs.

### **Direct Response Vehicles**

Perhaps no other advertising medium is as effective at launching new products into highly competitive markets as Direct Marketing. Direct Marketing allows a product to be adequately demonstrated and the consumer to be thoroughly informed. GRINrx will use the following Direct Marketing methods to develop its consumer oral care brand and business.

- **Direct Response Television-** Direct Response Television is an extremely cost effective and efficient mass marketing vehicle. In fact, some of



## Strategies for Growth (cont.)

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today's strongest consumer product brands have been developed though DRTV; Bowflex, Proactive and Dell to name a few. DRTV will be used by GRINrx to market its OTC whitening system.

It is commonly recognized that for every ten people that would purchase a product seen on TV, only one will order by phone. The other nine will wait and look for the product in a retail setting. Therefore, the direct response campaign will not only generate revenue, it will create pent-up consumer demand sufficient to generate a pull from major retailers for the entire GRINrx product line.

GRINrx will engage Seattle, WA based Cesari Response TV ([www.CRTV.com](http://www.CRTV.com)) to produce and execute a Direct Response TV campaign. CRTV is regarded as one of the most successful DRTV companies in the industry having been recognized and honored for multiple DRTV campaigns. CRTV's client list includes Sonicare, The Juiceman Juicer, Oxi-Clean, and George Forman Grill.

- **Home Shopping Networks-** Home shopping networks are another extremely effective DRTV vehicle. Many consumer products have been developed solely through this DRTV method. For example, in 2004 Jessica Simpson introduced her line of "Dessert" personal care products through QVC. The product line has gone on to produce multiple millions in revenue. In addition to creating significant revenue in only minutes, these channels also reach a loyal customer base that have the ability to become life long customers. GRINrx contemplates utilizing this medium specifically for its Aquabond denture adhesive product line.
- **Website-** A company's own website can often become one of its most effective and efficient direct marketing vehicles, especially when it complements a direct response TV campaign. GRINrx will create a comprehensive internet site which, in addition to serving as an effective e-commerce vehicle, will also provide an ideal opportunity for the Company to communicate with both current and potential customers

### Editorials

The use of editorials to create and strengthen brand awareness can be extremely effective, particularly for developing businesses. Once GRINrx has gained the support of oral care professionals, a series of editorial commentaries and product reviews will be published in major magazines, newspapers, and trade journals. The editorials will reinforce and broadly communicate not only the benefits and



attributes of GRINrx's consumer products, but also the support that has been established from professional oral care opinion leaders.

### **Strategies for Growth (cont.)**

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#### **Retail**

GRINrx will enter competitive retail environments from a position of strength generated by professional oral care opinion leaders, direct marketing vehicles, and editorial publications. Major national retailers such as Safeway, Vons, Rite Aid, Longs and Walgreens will likely be inviting the GRINrx product line into their stores to fulfill the pent-up demand of their customers. Entering retail environment in this fashion will provide GRINrx with substantial retailer support as well customer demand.

#### **International Expansion**

GRINrx expects to enter into a series of international distribution agreements to develop the GRINrx product line into a worldwide consumer brand. These licensing and distribution agreements are expected to produce immediate cash inflows from license fees, as well as product margin from sales.



## Market Factors

### Market Growth and Value

During the years 2000-2004, the Over-The-Counter (OTC) Oral Care industry experienced significant growth. Sales increased by 15.1% or \$944 million, for a total of \$7.2 billion in 2004<sup>1</sup>. Although not large by most standards, sales growth achieved by this industry during the past five years is extraordinary. The OTC oral care market segment is generally regarded as "mature" in the sense that its growth is directly proportional to that of the US population. However, during this period, a US population that has become increasingly concerned with health and cosmetic improvement caused the OTC Oral Care industry to unexpectedly expand well beyond population growth.

U.S. Retail Dollar Sales of Oral Care Products, by Category, 2000-2004 (In Millions)

Year	Dental Preparations*		Gum/Mouthwash/ Breath Fresheners**		Implements/ Appliances***		Total	
	\$	% Change	\$	% Change	\$	% Change	\$	% Change
2004	\$2,948	2.0%	\$2,424	3.2%	\$1,824	0.8%	\$7,196	2.1%
2003	2,890	1.1	2,349	2.7	1,809	-1.5	7,048	0.9
2002	2,859	4.6	2,287	4.2	1,836	11.5	6,982	6.2
2001	2,732	5.9	2,195	2.7	1,647	7.3	6,574	5.2
2000	2,579	3.0	2,138	9.4	1,535	7.2	6,252	--

\* Tooth cleaners/whiteners and denture products.

\*\* The breath freshener segment includes dedicated fresheners in spray, drop, or systemic forms, plus breath mints and candies.

\*\*\* Manual toothbrushes, electric appliances, floss, and manual tools. Sales of tools included only as of 2002.

Source: Packaged Facts

New innovative products intended to meet the increasingly health conscious consumers needs have recently been introduced to the market. Products such as whitening chewing gum, novel breath fresheners and application devices are just a few of the new products that have gained consumer acceptance. While new products drive growth they do not sustain it. Many new product sales are attributed to first time buyers, not repeat users. It is not uncommon for new products to experience a period of high growth, before adjusting to a more stable but slower growth rate.

<sup>1</sup> 2004 Package Facts





## Market Factors (cont.)

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### Dental Preparations: Whitening

There are three distinct subdivisions of the OTC Oral care market segment. There are: **Dental Preparations, Gum/Mouthwash/Breath Fresheners and Implements and Appliances.** The dental preparations subdivision is the primary focus of GRINrx. Dental preparations include tooth cleaners, dedicated whiteners, and denture products. The dental preparation category consists of Tooth Cleaners, Whiteners and Denture Products. Most of GRINrx's intellectual property is utilized in this segment, with emphasis on dedicated tooth cleaners and whiteners. The overall value of this segment is estimated to be approximately 2.9 billion<sup>2</sup>, with dedicated whiteners valued at \$500 million<sup>3</sup> as of 2004.

No single market subdivision has been as important to the OTC oral care industry as the dedicated whitener segment. Whitening has influenced the OTC oral care industry so heavily that virtually every product, from chewing gum to floss, is positioned based upon its whitening capability. From 2000 to 2004, dedicated whiteners grew at an astounding rate of 731%<sup>4</sup>. Directly responsible for the surge in sales growth of dedicated whiteners is Proctor and Gamble's Crest White Strips. In 2000, Crest White Strips were credited with doubling the retail sales of OTC whiteners. By 2001, Crest White Strips had gained 66%<sup>5</sup> of the OTC whitener segment. Tooth pastes, mouth washes, chewing gum and floss capitalized upon the success of Crest White Strips and were marketed to consumers based upon their own whitening capabilities. To date, marketers continue to position oral care products based upon their whitening capabilities.

### Future Value

There are conflicting opinions among analysts regarding the potential future market value of dedicated whiteners. Proctor & Gamble believes that the dedicated whitener market will reach \$1 billion by the end of the decade. Other market reports place current values at \$500 million, and project a decline in the rate of growth. As whitening products advance to become more effective and less harmful, it is believed that more consumers will be willing to not only try whitening products but will become repeat users. If this true, higher future values can continue to be expected.

<sup>2</sup> The US Market for Oral Care Products; Packaged Facts, 2004

<sup>3</sup> The US Market for Oral Care Products; Packaged Facts, 2004

<sup>4</sup> The US Market for Oral Care Products; Packaged Facts, 2004

<sup>5</sup> The US Market for Oral Care Products; Packaged Facts, 2004



## **Market Factors (cont.)**

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### **Current Trends**

No longer are oral care products marketed simply for health. Marketers are successfully reaching new customers with products emphasizing their cosmetic benefits and ability to make one appear more attractive, as well as feel more self confident. Although the growth of the dedicated whitener market is unlikely to continue at a triple digit rate, whiteners are here to stay and will continue to gain acceptance among consumers.

The following factors are believed to contribute to the opportunity for sustained growth of the dedicated whitening segment.

1. Expanding Population
2. Desire to Reduce High Dental Bills
3. Growing Awareness of Health and Fitness
  - a. Led by Baby Boomers
4. Ability of marketers to position products based upon vanity

### **Children's Oral Care**

The oral care industry for children is divided into three sections. Teens aged 15-18, tweens 8-14, and kids 7 and younger. Although the child demographic has been a relatively small contributor to overall sales for the OTC oral care industry, it is believed to be an underdeveloped demographic. Market experts believe that only the youngest age group has been adequately targeted. Typically, teenagers are grouped together with adult products and tweens are divided evenly down the middle, half using adult products and the other still responsive to colorful child-like images from the 7 and younger segment. Recently, however, there have been a few exceptions with companies specifically targeting the individual child segments. Companies like Crest and Pfizer have targeted the teenage market with youthful imagery. Given the purchasing power of children, the targeting of these youthful segments is likely to continue.

According the Franchise Handbook Online, kids 12 and under spend \$200 billion annually. Further more, market research.com says kids influence purchase decisions totaling \$400 billion. New-York based marketing consultant Wendy Liebmann states " Kids are in the stores right now making decisions about what they like and don't like, If you think the teen years is the time to capture a market, think again. Kids under 12 are highly impressionable, and they're educated consumers. Win them over now and you will have a customer for life". GRINrx has the technology and marketing capabilities to target the youth



### **Market Factors (cont.)**

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segments, an entire youth product line is a foreseeable product launch for GRINrx.

### **Regulation**

In highly regulated industries such as pharmaceuticals, a great deal of time and capital is spent on obtaining approval from government agencies. Currently, regulatory approval is not required for OTC dedicated whiteners, although the FDA does regulate and restrict the ingredients used in other dental preparation products such as toothpaste or mouthwash. As a result, entry to the oral care industry, particularly for dedicated whiteners, is not difficult.

The fact that the oral care industry is not heavily regulated is extremely advantageous to GRINrx. Many companies create new technologies and then spend a high percentage of their resources obtaining regulatory approval. GRINrx is fortunate to have developed an entire line of oral products that will not be subject to scrutiny by government regulators. Consequently, GRINrx and its product line are positioned to penetrate the oral care market quickly, with minimal demands on its resources. Although certification and approval is not required, GRINrx has taken the necessary steps, through independent testing laboratories to substantiate its product claims.



## Market Factors (cont.)

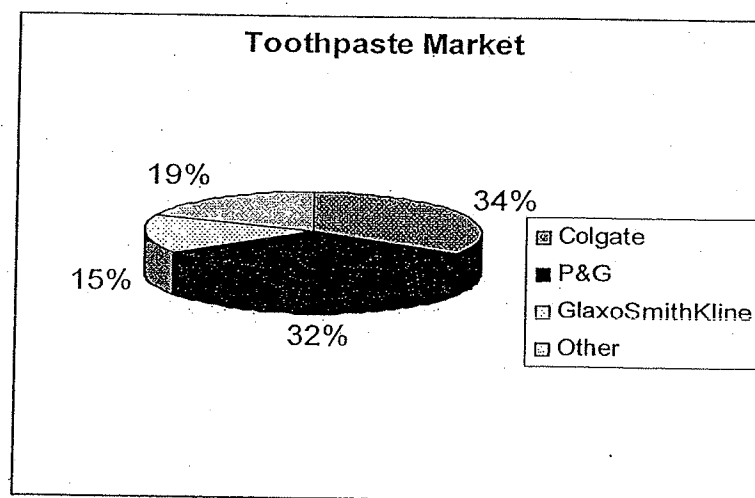
### Competition

The OTC oral care industry contains many competing companies but is heavily dominated by Colgate and Procter & Gamble. Despite their domination, other companies with a diverse product mix or focus on niche market segments are able to flourish. Without question, consumer product giants such as Colgate, P&G and GlaxoSmithKline hold the majority of market share in all segments. However, new companies that have specialized in serving specific industry niches with innovative and proprietary technologies have successfully entered and obtained a profitable position in the market. Analysis of the individual segments provides a clearer picture of the competitive environment:

#### ▪ Toothpaste:

Colgate and Procter & Gamble combined hold over 2/3 of the toothpaste market. Colgate leads with 34% and P&G's Crest is a close second with 31.6%. The only other company to hold double digit ownership is GlaxoSmithKline with 15.2% through their Aquafresh and Sensodyne brands.

A few companies have relied upon acquisitions to increase their market share within the tooth paste segment. In late 2003, Church and Dwight acquired Unilever's North American oral care business, boosting Church and Dwight's market share to 10%. Similarly, Gillette acquired Den-Mat Co's Rembrandt business to increase its position in the market from .7% to 3.3%. Just recently, Procter & Gamble, a major player in the oral care industry, acquired Gillette. Procter & Gamble was forced to sell their Rembrandt line in order to complete the Gillette acquisition. Johnson & Johnson then acquired the Rembrandt line to enhance their oral care line of products.



## **Management**

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### **Dr. Martin S. Giniger – Founder & Chief Scientific Officer**

Dr. Martin S. Giniger has dedicated his career to product development and clinical testing of toothpaste, mouthwash, toothbrushes, bleaching gels and other oral / personal care products. Previously, he chaired the Division of Diagnostic Sciences and later the Department of Community Services for the University of Medicine of New Jersey. Additionally, he also has been employed by the Colgate-Palmolive Company, the world's largest consumer oral care company as Director of Professional and Academic Marketing.

He has also been employed as Director of Professional Relations for Dexcel Pharma, Inc. and the DEXXON Corporation. At Louisiana State University, he was appointed jointly in the Oral Medicine Department at the School of Dentistry and the Department of Physiology at the School of Medicine. There he also served as Head of the Clinical Medicine Lab for the dental school. His consulting employment has offered him the opportunity to work with the world's top oral care companies on many assignments including Colgate-Palmolive, Procter & Gamble, Church & Dwight, Brite Smile and many others.

Dr. Giniger's training includes a specialty certificate in Oral Medicine, Ph.D. in Biochemistry, 12 years of experience working for oral care companies, and 20 years working as a dentist. Dr. Giniger is the world's most knowledgeable expert on the subject of OTC dental products formulation and knows the insider secrets that no one else in the world could know. He has a special interest in "liquid" oral care products and has published several manuscripts relating to this topic.

### **C. Rowland Hanson – Co-Founder & Chairman**

Rowland is Chairman & Founder of CRH & Associates, and a co-founder of the HansonMaslen Group. Prior to consulting, Rowland was Vice President of Corporate Communications at Microsoft, where he created and executed the company's highly acclaimed branding strategy which included the market introduction of Microsoft's most popular product - a graphical interface that he named "Windows." Several books published on the history of Microsoft document his strategies that led to the dominance of the Microsoft and Windows brands. Prior to Microsoft, Rowland served as Vice President of Worldwide Marketing for Neutrogena Corporation, a skin care and cosmetics company that registered phenomenal growth during his tenure thru new product introductions and global joint ventures before being acquired by Johnson & Johnson. Rowland has a BBA from Loyola University and an MBA from Wharton School of Business (University of Pennsylvania).



## **Management (cont.)**

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### **Michael Parks – President and CEO**

Michael was CEO of ColdHeat from September of 2002 to March of 2005. Prior to ColdHeat, Mike was Senior Vice President of Operations at Coinstar, Inc (CSTR), a profitable coin-counting machine company with locations in more than 10,000 supermarkets around the world. Prior to joining Coinstar, Mike held various senior management positions during 24 years with Seafirst Bank (now Bank of America), where he pioneered the use of bank automated teller machine (ATM) technology in the early 1970's. He received a BA from Central Washington University and completed the Pacific Coast Banking School program at the University of Washington, a graduate level banking program

### **Additional Management**

#### **Allan Mayer – VP of Marketing**

In conjunction with ConsumerView, Allan is a Partner at The HansonMaslen Group, a global marketing consulting firm specializing in strategic planning, marketing communications, branding and business development. Previously, he served for 15 years as Managing Director of CRH & Associates, a consultancy that spearheaded the emergence and growth of many new ventures and developed / implemented key projects for several large corporations – most notably, IBM (consumer software exploration), The Bank of Louisville (business development plan), Horn Abbot / Hasbro (digital media expansion plan for Trivial Pursuit game) and Monsanto (worldwide launch of major new technology to both the industrial and consumer marketplace). Prior to consulting, Allan held senior marketing management / sales positions with Crescent Foods, Hunt-Wesson Foods (Con-Agra) and Oscar Mayer. During his six years at Hunt-Wesson, he managed three of the company's leading brands, and as VP of Marketing for Crescent Foods, he lead the complete overhaul and successful reintroduction of a "forgotten" brand line. Allan holds a BA from Northwestern University and an MBA from Arizona State University.

#### **Matt Spaid – EVP Product Development**

Matthew Spaid is founder and CEO of Insomni, an interactive media company. Prior to founding Insomni, Matthew was Director of Technology at ID Society, an Interactive agency where he managed the company's R&D efforts. Prior to that Matthew held senior positions with The Boston Consulting Group and WebPromote - now Yesmail, a CMGI company (NASDAQ: CMGI), where he developed strategies to leverage Internet technologies for streamlined workflows and cost-efficient operations. He is the architect behind the groundbreaking HANSON community site, rated as the number one music forum of 1998. Matthew is frequently invited to counsel entertainment and consumer brand companies about their Interactive business strategies.





## **Management (cont.)**

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### **Chris Jones - CFO**

Mr. Jones brings 15 years of diverse strategy, finance and operational expertise to the GRINrx team. His experience includes extensive business strategy, planning and development, operational execution and financing for growth-stage companies. He has served as Chief Financial Officer for the Pro2Net Corporation where he successfully raised funds of over \$22 Million and prepared the company with the SEC for a possible IPO. Additionally, Mr. Jones was Treasurer, Vice-President/Director of Finance and Business Development for Systemic Solutions Inc, where he managed all aspects of accounting, finance and operations functions. After receiving his B.A. in Business Administration and Accounting from the University of Washington, he practiced as a Certified Public Accountant with Deloitte & Touche LLP. He served clients in a wide variety of industries including high-tech, manufacturing, construction, real estate, and transportation ranging in size from start-ups to Fortune 100 companies, including extensive domestic and international involvement with Microsoft Corporation.

### **Dr. Jeffrey Giniger – General Manager of Manufacturing**

Dr. Giniger has a varied career in medicine and financial industries. He received his doctoral training at the University of Pennsylvania and his undergraduate degree from the University of Connecticut with a BS in Biology. Besides serving many patients in his private practice as a licensed physician for several years, he also was a member and seat holder of the American Stock Exchange. As a licensed stock options specialist, he helped provide financial liquidity to large institutional companies and traders. Jeff will rely on his dual-path experience in the healthcare and financial industries to oversee the entire operations, manufacture and production of products for GRINrx.

### **Peter Maslen – Board Member**

Peter Maslen is an international businessman with a global career in fast-moving consumer goods and retailing. He most recently served as president of Starbucks Coffee International, where he led Starbucks' growth outside the U.S. from its initial start-up phase to a highly successful and well-established business in over 30 countries. Prior to joining Starbucks, Maslen served as president of Tricon Global Restaurants (now YUM! Brands,) in Europe, with responsibility for the development and growth of the Pizza Hut, Kentucky Fried Chicken and Taco Bell brands throughout Western and Central Europe and former Soviet block countries. He began his career in the food industry with Mars Incorporated, culminating as region director, Asia, when he was recruited to PepsiCo. Maslen is a co-founder of the HansonMaslen Group in Seattle, and chairman of Fortress Pacific Limited. Maslen serves on the boards of several public and private companies -- Herbalife International, bEqual, Bondi Lifesaver, and Cold Heat and is currently chairman of the Global Business Advisory Board at the University of



## **Management (cont.)**

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Washington Business School and a member of the Advisory Board of the Albers School of Business and Economics at Seattle University.

### **Bruce Silverstein – Board Member**

Bruce Silverstein, M.D. has had a multi-faceted career. Trained as a physician, he taught as a professor for 20 years at the University of Washington School of Medicine division of Gastroenterology. Soon after joining the faculty at the University, he started Watts-Silverstein, an internationally recognized marketing, communications and events firm specializing in technology. Watt's client list included Microsoft, Intel, Starbucks, Nintendo, AT&T, Bay Networks, Kenworth and SAFECO.

Bruce has worked closely as a marketing advisor and consultant to Andy Grove (Intel) and Howard Schultz (Starbucks) among others. He was a leader in developing both CD-ROM and early Internet applications. In 1997, he sold Watts-Silverstein to Caribiner International. Following the acquisition he has been a strategic marketing and management consultant for start-up companies in the CRM, voice over IP, passive optical and storage area networks and Internet appliance spaces. In 2002 he formed Silverstein Thomas Rice and Associates with several former Watts-Silverstein associates.



## Management (cont.)

### Organizational Flow Chart

